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**BEFORE THE INSURANCE COMMISSIONER
OF THE STATE OF UTAH**

UTAH INSURANCE DEPARTMENT, Complainant, v. HUMANA INSURANCE COMPANY 500 West Main Street Louisville, KY 40202 License No. 73288 Respondent.	STIPULATION AND ORDER Docket No. 2015-107 HL Enf. Case No. 3666 Judge Mark E. Kleinfeld Administrative Law Judge
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STIPULATION

The Utah Insurance Department ("Department"), by and through its legal counsel, and Humana Insurance Company ("Respondent"), by and through its authorized representative, hereby stipulate and agree as follows:

1. Respondent is an active non-resident health insurance company authorized to do business in the State of Utah under License No. 73288. Respondent's business address is 500 West Main Street, Louisville, KY 40202.

2. The Department has jurisdiction over the parties and subject matter of this administrative action.

3. Respondent acknowledges notice of agency action pursuant to Utah Code § 63G-4-201; acknowledges that this Stipulation and Order is an informal proceeding pursuant to Utah Code § 63G-4-202; and irrevocably waives the right to any hearing, review or appeal concerning this matter.

4. Respondent is represented by legal counsel in this matter.

5. This signed Stipulation and the signed Order by the Presiding Officer, along with any Findings of Fact and Conclusions of Law, shall not be subject to any reconsideration, renegotiation, modification, hearing or agency review or appeal.

6. The Findings of Fact and Conclusions of Law presented below are accepted by the parties.

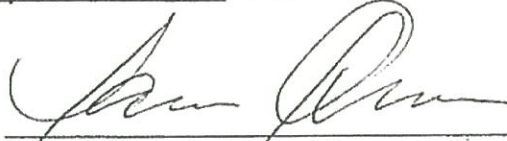
7. The issuance of the signed and adopted Order proposed below is solely for the purpose of disposing of the specific matter entitled herein.

8. The only promises, agreements and understandings that the parties have regarding this matter are contained in this Stipulation.

9. Respondent enters into this Stipulation voluntarily, knowingly, and free from any coercion of any kind.

10. The persons signing this Stipulation on behalf of the named parties hereby affirm that they are authorized to sign and bind the parties.

Dated this 25 day of September, 2015.



Tami Quiram, Authorized Representative
HUMANA INSURANCE COMPANY

Dated this 29th day of September, 2015



Gary D. Josephson, Assistant Attorney General
UTAH INSURANCE DEPARTMENT

Based upon the foregoing Stipulation and Department file, the Presiding Officer makes the following Findings of Fact:

FINDINGS OF FACT

1. On September 3, 2013, the Department received a notification from Respondent stating that it was discontinuing its grandfathered health insurance plans.
2. On October 1, 2013 Respondent issued a notice to its policyholders, which consisted of 28 groups and 494 enrollees, of the discontinuance of its grandfathered health insurance plans.
3. On November 25, 2013 Respondent issued another notice to policyholders stating: "If you have a medical plan that is a grandfathered health plan, or you have dental, vision, life, disability, or voluntary benefits: review the information in this packets about the

benefits of renewing. If you want to continue with these plans, no further action is needed.”

4. The Utah groups were informed that they would be allowed to keep their grandfathered plans; however, upon renewal, their plans were changed to ACA compliant plans and the cost of premiums was significantly increased.

5. The Department determined that the communications sent by Respondent were incorrect and misleading.

6. Respondent has had no prior administrative action in Utah and was very cooperative during the investigation.

7. The Department and Respondent have agreed to an administrative forfeiture in the amount of \$74,000.00, with \$9,000.00 being stayed on condition of no further, similar violations for the next 12 months, and a \$10,000.00 administration fee.

Based upon the foregoing Stipulation and Findings of Fact, the Presiding Officer enters the following Conclusions of Law:

CONCLUSIONS OF LAW

1. Utah Code Section 31A-23a-401(1)(a)(i) which prohibits any communication that contains false or misleading information, was violated by Respondent when it issued two letters to its policyholders concerning grandfathered health insurance plans.

2. Because of the number of affected insureds, an administrative forfeiture in the amount of \$74,000.00, with \$9,000.00 stayed, and an administration fee of \$10,000.00 is appropriate under the circumstances of this matter.

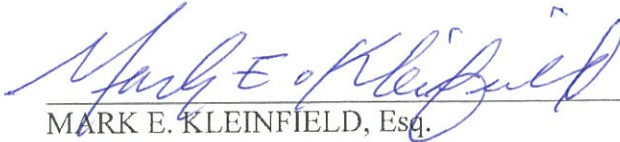
Based upon the Findings and Fact and Conclusions of Law, the Presiding Officer enters the following Order:

ORDER

RESPONDENT IS HEREBY ORDERED to pay an administrative forfeiture to the Department in the amount of \$74,000.00, with \$9,000.00 stayed. If Respondent has no further, similar violations of the Utah Insurance Code and Department Rules during the next twelve months from the signing of this Order, the stayed \$9,000.00 expires and becomes void. In addition to the \$65,000.00 forfeiture due, a \$10,000.00 administrative fee is also assessed. The current, total payable amount of \$75,000.00 shall be paid to the Department within 30 days of the date of this signed Order.

DATED this 29 day of September, 2015.

TODD E. KISER
Insurance Commissioner



MARK E. KLEINFELD, Esq.
Administrative Law Judge
Utah Insurance Department

NOTIFICATION TO RESPONDENT

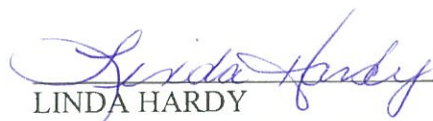
You are hereby notified that a failure to obey an Order of the Commissioner may subject you to further penalties, including forfeitures of up to \$5,000 per violation and the suspension or revocation of your license and the filing of an action in district court, which may impose forfeitures of up to \$10,000 per day for continued violation. You are further notified that other jurisdictions in which you may be licensed may require that you report this action to them.

CERTIFICATE OF MAILING

The undersigned hereby certifies that on this date, a true and correct copy of the foregoing **STIPULATION AND ORDER** was electronically mailed to the following:

GREG STIEFVATER, ATTORNEY AT LAW
E-MAIL ADDRESSE: gstiefvater@humana.com

DATED this 29th day of September, 2015.


LINDA HARDY
UTAH INSURANCE DEPARTMENT
STATE OFFICE BUILDING, ROOM 3110
SALT LAKE CITY, UT 84114-6901



State of Utah

GARY R. HERBERT
Governor

SPENCER J. COX
Lieutenant Governor

Insurance Department

UTAH Invoice - Original

CATHERINE STAEBLER
HUMANA INSURANCE COMPANY
P O BOX 740036
LOUISVILLE KY 40201-7436

Printed Date: September 29, 2015
Invoice Date: September 29, 2015
Balance Due: \$75,000.00
Due Date: October 29, 2015
Invoice ID: 804735
Payor ID: 1166

Date	Item Description	Amount	
09-29-2015	Monetary Penalty Company	\$65,000.00	E-Case 3666 Docket 2015-107 HL
09-29-2015	Monetary Penalty Company	\$10,000.00	E-Case 3666 Docket 2015-107 Admin. fee

No Adjustments

No Payments

Balance Amount Due \$75,000.00

UTAH Invoice - Original

Make check payable to: Utah Insurance Department
Send payment to:
Utah Insurance Department
3110 State Office Building
Salt Lake City, UT 84114-6901

Invoice Date: September 29, 2015
Balance Due: \$75,000.00
Due Date: November 3, 2015
Invoice ID: 804735
Payor ID: 1166

E-Case 3666 Docket 2015-107 HL

Detach and Return this Voucher with Payment
Payments Will Not Be Processed without Voucher